



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

JUL 15 2016

Paul F. Welday

Farmington Hills, MI 48334

RE: MUR 6622

Dear Mr. Welday:

This is in reference to the complaint you filed with the Federal Election Commission ("Commission") on August 2, 2012, concerning allegations that multiple parties may have violated the Federal Election Campaign Act of 1971, as amended (the "Act"). On April 12, 2016, the Commission found reason to believe that Kerry Bentivolio for US Congress and Timothy Witt in his official capacity as treasurer (the "Committee") violated 52 U.S.C. § 30104(a) and (b), provisions of the Act, by failing to meet the Act's reporting requirements, but dismissed the allegation that Kerry Bentivolio violated the Act. Additionally on that date, the Commission found that there was no reason to believe that Robert J. Dindoffer or Kristin M. Lee violated 52 U.S.C. § 30116(a)(1)(A), that Young Americans for Liberty Inc.'s Liberty Action Fund (f/k/a Young Americans for Liberty PAC) ("YALFUND") violated 52 U.S.C. § 30116(a)(2)(A), or that the Committee violated 52 U.S.C. § 30116(f), provisions of the Act. On July 11, 2016, the Commission accepted the Committee's signed conciliation agreement. Accordingly, the file in this matter is now closed.

Documents related to the case will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003) and Statement of Policy Regarding Placing First General Counsel's Reports on the Public Record, 74 Fed. Reg. 66,132 (Dec. 14, 2009). A copy of the agreement with the Committee is enclosed for your information. In addition, copies of the Factual and Legal Analyses concerning the Committee and Kerry Bentivolio, Robert J Dindoffer, Kristin M. Lee and YALFUND are enclosed.

Sincerely,

Roy Q. Luckett

Attorney

Enclosures

Conciliation Agreement

Factual and Legal Analyses

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1 The Committee amended its Statement of Organization on September 13, 2012, to name
2 Timothy Witt as its treasurer, replacing Bentivolio, the Committee's original treasurer. Witt was
3 not the treasurer at the time of the reporting violations described herein, and was not involved in
4 the Committee's activities at that time. At the time that he was named treasurer, Witt filed
5 amendments to the Committee's disclosure reports addressing Committee reporting violations.
6 He is named in this matter only in his official capacity as treasurer.

7 2. The Federal Election Campaign Act of 1971, as amended (the "Act"), requires
8 committee treasurers to file reports of receipts and disbursements in accordance with the
9 provisions of 52 U.S.C. § 30104 (formerly 2 U.S.C. § 434). 52 U.S.C. § 30104(a)(1) (formerly
10 2 U.S.C. § 434(a)(1)); 11 C.F.R. § 104.1(a). These reports must include, *inter alia*, the total
11 amount of receipts and disbursements, including the appropriate itemizations, where required.
12 52 U.S.C. § 30104(b) (formerly 2 U.S.C. § 434(b)); 11 C.F.R. § 104.3. Treasurers are
13 responsible for the accuracy of the information contained in committee disclosure reports, as
14 well as the timely complete filing of those reports. 11 C.F.R. § 104.14(d). Treasurers must also
15 sign each disclosure report. 52 U.S.C. § 30104(a) (formerly 2 U.S.C. § 434(a)); 11 C.F.R.
16 §§ 104.1(a), 104.14(a). In addition to complete and accurate disclosure of receipts and
17 disbursements, the Act also requires accurate disclosure of the amount of cash-on-hand at the
18 beginning and end of the reporting period. 52 U.S.C. § 30104(b)(1) (formerly 2 U.S.C.
19 § 434(b)(1)); 11 C.F.R. § 104.3(a)(1). The Act and Commission regulations further require
20 political committees to continuously report the amount and nature of their outstanding debts until
21 those debts are extinguished. 52 U.S.C. § 30104(b)(8) (formerly 2 U.S.C. § 434(b)(8)),
22 11 C.F.R. §§ 104.3(d), 104.11(a). For the 2011-2012 election cycle, individuals were permitted
23 to contribute a maximum of \$2,500 to a candidate or candidate committee per election.

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1 52 U.S.C. § 30116(a)(1)(A) (formerly 2 U.S.C. § 441a(a)(1)(A)). Under the Act, multicandidate
2 committees may make contributions to candidates up to \$5,000 per election. 52 U.S.C.
3 § 30116(a)(2)(A) (formerly 2 U.S.C. § 441a(a)(2)(A)).

4 3. On April 13, 2012, the Committee filed its original 2012 April Quarterly Report
5 covering the period from January 1, 2012, through March 31, 2012, which disclosed \$2,806.34 in
6 disbursements. The Committee filed amendments to the original report on July 15, 2012, and
7 September 12, 2012. The amendments disclosed additional disbursements totaling \$50,519.59.

8 4. On its original 2012 April Quarterly Report, the Committee disclosed a
9 \$57,000.00 bank loan from Fifth Third Bank as received on January 11, 2012. The Committee
10 amendment to this report, filed on July 15, 2012, does not disclose the loan and does not indicate
11 that the loan was repaid.

12 5. The Committee's Amended 2012 April Quarterly Report instead disclosed the
13 receipt of \$58,228 in contributions from Bentivolio and \$58,113.13 in loans from him that were
14 not included on the Committee's original report. Specifically, the Committee disclosed two
15 receipts from Bentivolio in the amount of \$19,730 as both a contribution and a loan on
16 January 26, 2012. Likewise, the Committee described a \$38,383.13 receipt as a contribution on
17 January 27, 2012, and the same amount as a loan on January 30, 2012. The Committee double-
18 counted the two receipts, as indicated by its Second Amended 2012 April Quarterly Report filed
19 on September 12, 2012, which disclosed \$58,083.13 in loans from Bentivolio and only \$115.00
20 in contributions from him.

21 6. The Committee's Amended 2012 April Quarterly Report also disclosed a
22 \$50,000 payment to Bentivolio on March 5, 2012, as an "Other Disbursement." This payment
23 was not disclosed on the Committee's original 2012 April Quarterly Report. On its Second

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1 Amended 2012 April Quarterly Report, filed on September 12, 2012, the Committee disclosed its
2 \$50,000 payment to Bentivolio on March 5, 2012, as a loan repayment.

3 7. On July 15, 2012, the Committee filed its original 2012 July Quarterly Report,
4 covering the period from April 1, 2012, through June 30, 2012, reflecting a cash-on-hand balance
5 of \$0 at the beginning of the reporting period. This amount did not correspond to the
6 Committee's Amended 2012 April Quarterly Report's ending cash-on-hand balance of
7 \$67,100.41 on March 31, 2012.

8 8. The Committee's original 2012 July Quarterly Report disclosed \$26,501.00 in
9 receipts and \$17,828.57 in disbursements. The Committee filed amendments to the original
10 report on July 18, 2012 and September 12, 2012. The amendments disclosed additional receipts
11 totaling \$1,588.63 and additional disbursements totaling \$12,436.27.

12 9. The Committee's Amended 2012 July Quarterly Report reflected that it received
13 both a \$10,000 loan and a \$10,000 contribution from Bentivolio on June 25, 2012. On its
14 Second Amended 2012 July Quarterly Report, filed on September 12, 2012, the Committee
15 disclosed that it received only a \$10,000 loan from Bentivolio on June 25, 2012.

16 10. The Committee's original and Amended 2012 July Quarterly Reports did not
17 accurately disclose the Committee's election cycle-to-date receipts and disbursements. In both
18 reports, the Committee's summary and detailed summary pages disclosed election cycle-to-date
19 receipts and disbursements matching the Committee's receipts and disbursements for the July
20 Quarterly reporting period but excluding the Committee's receipts and disbursements for the
21 April Quarterly reporting period.

22 11. On July 26, 2012, the Committee filed its original 2012 Pre-Primary Report,
23 covering the period from July 1 through July 18, 2012, reflecting a cash-on-hand balance of \$0 at

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1 the beginning of the reporting period. This amount did not correspond with the Amended 2012
2 July Quarterly Report's ending cash-on-hand balance of \$91,183.78 on June 30, 2012.

3 12. The Committee's original 2012 Pre-Primary Report disclosed a \$50,000
4 payment to Bentivolio on July 5, 2012, as a contribution refund on the detailed summary page.
5 On its Amended 2012 Pre-Primary Report, filed on September 12, 2012, the Committee
6 disclosed this \$50,000 payment to Bentivolio as a loan repayment.

7 13. The Committee's original 2012 July Quarterly Report reflected that it received
8 three excessive contributions: (1) \$3,000 from Robert J. Dindoffer that was \$500 over the limit;
9 (2) \$5,000 from Kristin M. Lee that was \$2,500 over the limit; and (3) \$5,250 from Young
10 Americans for Liberty Inc.'s Liberty Action Fund (f/k/a Young Americans for Liberty PAC)
11 ("YALFUND"), a multicandidate committee, which was \$250 over the limit. *See* 52 U.S.C.
12 § 30116(a)(1)(A) and (a)(2)(A) (formerly 2 U.S.C. § 441a(a)(1)(A) and (a)(2)(A)). The
13 Committee did not receive excessive contributions from these contributors but instead
14 misreported the contributions. The Committee failed to disclose Dindoffer's redesignation of the
15 \$500 excessive contribution from the 2012 primary to the 2012 special election, misreported
16 Lee's \$500 contribution as \$5,000, and failed to properly attribute contributions from three
17 individuals that YALFUND had forwarded to the Committee. *See* Committee Second Amended
18 2012 July Quarterly Report (Sept. 12, 2012) and Third Amended 2012 July Quarterly Report
19 (Dec. 26, 2012).

20 14. Although the Committee's original Statement of Organization identified Kerry
21 Bentivolio as its treasurer and Robert Dindoffer as assistant treasurer, the Committee's 2012
22 April Quarterly Report, Amended 2012 April Quarterly Report, 2012 July Quarterly Report,
23 Amended 2012 July Quarterly Report, 2012 Pre-Primary Report and four 48-Hour Notices

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1 X. This Conciliation Agreement constitutes the entire agreement between the
2 parties on the matters raised herein, and no other statement, promise, or agreement, either written
3 or oral, made by either party or by agents of either party, which is not contained within this
4 written agreement shall be enforceable.

5 FOR THE COMMISSION:
6

7 BY: Kathleen Guith
8 Kathleen M. Guith
9 Acting Associate General Counsel
10 for Enforcement

7-14-16
Date

11 FOR THE RESPONDENTS:

12 Timothy Witt
13 Timothy Witt
14 Treasurer

May 20, 2016
Date

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1 2012). The Committee's Amended 2012 July Quarterly Report, filed on December 26, 2012,
2 described the YALFUND \$5,250 amount as the "[t]otal earmarked through conduit. PAC limit
3 not affected," and listed the three individual contributions as memo entries. *See* Amended 2012
4 July Quarterly Report (Dec. 26, 2012) at 13, *available at*
5 <http://docquery.fec.gov/pdf/237/12963868237/12963868237.pdf>; 52 U.S.C. § 30116(a)(8)
6 (formerly 2 U.S.C. § 441a(a)(8)); 11 C.F.R. § 110.6(c)(2).

7 Because the available information shows that YALFUND did not make an excessive
8 contribution, the Commission has determined to find no reason to believe Young Americans for
9 Liberty Inc.'s Liberty Action Fund (f/k/a Young Americans for Liberty PAC) and Edward King
10 in his official capacity as treasurer, violated 52 U.S.C. § 30116(a)(2)(A) (formerly 2 U.S.C.
11 § 441a(a)(2)(A)).

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1 **FEDERAL ELECTION COMMISSION**

2
3 **FACTUAL AND LEGAL ANALYSIS**

4
5 RESPONDENT: Robert J. Dindoffer

MUR: 6622

6
7
8 **I. INTRODUCTION**

9 This matter was generated by a complaint filed with the Federal Election Commission
10 (“Commission”) by Paul Welday. See 52 U.S.C. § 30109(a)(1) (formerly 2 U.S.C. § 437g(a)(1)).

11 **II. FACTUAL AND LEGAL ANALYSIS**

12 The Federal Election Campaign Act of 1971, as amended, prohibits any person from
13 making contributions to any candidate and the candidate’s authorized political committee in
14 excess of the limits at 52 U.S.C. § 30116(a) (formerly 2 U.S.C. § 441a(a)), and candidate
15 committees are prohibited from knowingly accepting excessive contributions.

16 52 U.S.C. § 30116(f) (formerly 2 U.S.C. § 441a(f)). For the 2011-2012 election cycle,
17 individuals were permitted to contribute a maximum of \$2,500 to a candidate or candidate
18 committee per election. 52 U.S.C. § 30116(a)(1)(A) (formerly 2 U.S.C. § 441a(a)(1)(A)).

19 The Complaint alleges that Kerry Bentivolio for US Congress (“Committee”) received
20 contributions totaling \$3,000 from Robert J. Dindoffer, \$500 over the \$2,500 limit. Compl. at 3-
21 4. Dindoffer denies this allegation, stating that he initially intended that the contributions would
22 be attributed partly for the regular primary and partly for the regular general election. Dindoffer
23 Resp. at 1 (Sept. 21, 2012). After a special election was called, however, he “requested that the
24 portion attributed to the regular general election be re-attributed to the special primary.” *Id.* The
25 Committee amended its 2012 July Quarterly Report on September 12, 2012, disclosing four
26 Dindoffer contributions: (1) \$2,500 on June 3 designated for the 2012 primary election; (2) \$500
27 on June 14 designated for the 2012 special primary election; (3) \$2,500 on June 18 designated

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1 for the 2012 primary election; and (4) a \$515.57 in-kind contribution on June 20 designated for
2 the 2012 special primary election. *See* Amended 2012 July Quarterly Report at 7-8, *available at*
3 <http://docquery.fec.gov/pdf/354/12952908354/12952908354.pdf>. On June 13, 2012, the
4 Committee refunded the first \$2,500 contribution. *Id.* at 21.

5 Because the available information shows that Dindoffer did not make an excessive
6 contribution, the Commission has determined to find no reason to believe Robert J. Dindoffer
7 violated 52 U.S.C. § 30116(a)(1)(A) (formerly 2 U.S.C. § 441a(a)(1)(A)).

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1 **FEDERAL ELECTION COMMISSION**

2
3 **FACTUAL AND LEGAL ANALYSIS**

4
5 RESPONDENTS: Kerry Bentivolio for US Congress and MUR: 6622
6 Timothy Witt in his official capacity
7 as treasurer
8 Kerry Bentivolio
9

10 **I. INTRODUCTION**

11 This matter was generated based on information ascertained by the Federal Election
12 Commission ("Commission") in the normal course of carrying out its supervisory
13 responsibilities, and by a complaint filed with the Commission by Paul Welday. *See* 52 U.S.C.
14 § 30109(a)(1) and (a)(2) (formerly 2 U.S.C. § 437g(a)(1) and (a)(2)). Kerry Bentivolio for US
15 Congress ("Committee") was referred for possible enforcement action regarding its apparent
16 omission of \$62,955.44 in disbursements and \$1,588.63 in receipts from its original 2012 April
17 and July Quarterly Reports, including a \$50,000 repayment of a loan from Kerry Bentivolio to
18 the campaign.

19 The reporting of this repayment is also the subject of the Complaint in MUR 6622, which
20 alleges that the Committee failed to justify the \$50,000 payment to the candidate. The
21 Complaint further alleges that Bentivolio and the Committee violated the Federal Election
22 Campaign Act of 1971, as amended (the "Act"), by failing to accurately disclose other
23 contributions and the Committee's cash-on-hand, and by failing to have its treasurer, Bentivolio,
24 sign seven disclosure reports.¹ Additionally, the Complaint alleges that the Committee accepted

¹ The cover letter to the Complaint, written by Complainant's counsel, also refers to the Committee's "failure to comply with disclaimer requirements on messages authorized and/or financed by a candidate." *See* Cover Letter from E. Mark Braden to Daniel Petalas, Associate General Counsel for Enforcement, FEC (Aug. 2, 2012). The attached Complaint, however, does not allege any such violation and there is no information to support it; therefore the Commission does not address this issue further.

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1 excessive contributions from Robert J. Dindoffer, Kristin M. Lee, and Young Americans for
2 Liberty Inc.'s Liberty Action Fund (f/k/a Young Americans for Liberty PAC) ("YALFUND").

3 The Committee acknowledges its reporting errors, which it attributes to the inexperience
4 of a campaign staffer. It also explains that the contributions shown on its original reports as
5 excessive were merely reported incorrectly and actually complied with the Act's limits. The
6 Committee has since changed treasurers and corrected its disclosure reports. The Commission
7 has determined to find reason to believe that the Committee violated 52 U.S.C. § 30104(a) and
8 (b) (formerly 2 U.S.C. § 434(a) and (b)) by failing to meet the Act's reporting requirements in
9 various ways, but make no findings against Bentivolio in his personal capacity. Because the
10 available information demonstrates that all of the alleged excessive contributions complied with
11 the Act's limits, the Commission has determined to find no reason to believe that the Committee
12 violated 52 U.S.C. § 30116(f) (formerly 2 U.S.C. § 441a(f)).

13 II. FACTUAL AND LEGAL ANALYSIS

14 A. Alleged Reporting Violations

15 Bentivolio was a candidate for the U.S. House of Representatives from Michigan's 11th
16 Congressional District in 2012.² The Committee is Bentivolio's authorized campaign committee
17 and Timothy Witt is its current treasurer.³

18 The Committee was referred for possible enforcement action regarding its apparent
19 failure to disclose all financial activity on its original 2012 April Quarterly and 2012 July

² Bentivolio won the August 7, 2012, primary election and the September 5, 2012, special primary election to fill the remainder of the term of Rep. Thad McCotter, who resigned his seat. Bentivolio lost the 2012 special election to complete Rep. McCotter's term, but won the 2012 general election for his own two-year term. In the 2014 election cycle, Bentivolio lost the August 5, 2014, primary election.

³ The Committee amended its Statement of Organization on September 13, 2012, to name Witt as treasurer, replacing Bentivolio, the Committee's original treasurer.

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1 Quarterly Reports. The Committee amended these reports on July 15 and July 18, 2012,
2 respectively, reflecting additional disbursements not disclosed in the original reports. On
3 September 12, 2012, the Committee amended both the April and July Quarterly Reports to
4 disclose previously unreported receipts and disbursements. The aggregate amount of additional
5 activity disclosed by the Committee on its amendments is \$64,544.07.

Report	Amount of Increased Receipts	Amount of Increased Disbursements	Total Increased Activity
2012 April Quarterly	N/A	\$50,519.17	\$50,519.17
2012 July Quarterly	\$1,588.63	\$12,436.27	\$14,024.90
			\$64,544.07

6
7 The Commission notified the Committee about the Referral on October 15, 2014, and provided it
8 with an opportunity to respond. *See Agency Procedure for Notice to Respondents in Non-*
9 *Complaint Generated Matters*, 74 Fed. Reg. 38,617 (Aug. 4, 2009). The Committee's Response
10 to the Referral ("Referral Resp.") acknowledges the inaccuracies in the Committee's original
11 filings, but maintains that "the majority of the variance" resulted from its failure to report a
12 March 5, 2012, repayment of a \$50,000 loan Bentivolio made to the Committee, and that there
13 were no undisclosed disbursements to third parties. Referral Resp. at 1 (Nov. 3, 2014).

14 The Committee's disclosure of loans and repayments is also the subject of the Complaint
15 in MUR 6622. First, the Complaint alleges that the Committee failed to provide required
16 documents regarding a \$57,000 bank loan from Fifth Third Bank, which it disclosed on its
17 original 2012 April Quarterly Report.⁴ Compl. at 4 (Aug. 2, 2012). The Complaint further
18 alleges that this loan "disappear[ed]" from the Committee's Amended 2012 April Quarterly
19 Report (filed July 15, 2012) and there was no information indicating that the loan was repaid. *Id.*

⁴ See 2012 April Quarterly Report at 6, 8, available at <http://docquery.fec.gov/pdf/107/12970934107/12970934107.pdf>.

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1 Instead, the amended report disclosed the receipt of \$58,228.13 in contributions from Bentivolio
2 and \$58,113.13 in loans from him.⁵ *Id.* As mentioned above, following receipt of the
3 Complaint, the Committee filed a Second Amended 2012 April Quarterly Report (Sept. 12,
4 2012), which disclosed \$58,083.13 in loans from Bentivolio and only \$115.00 in contributions
5 from him.⁶

6 As to loan repayments, the original 2012 April Quarterly Report disclosed no loan
7 repayments and no payments to Bentivolio for any other purpose, but the Amended 2012 April
8 Quarterly Report (filed July 15, 2012) disclosed a \$50,000 payment to Bentivolio on March 5,
9 2012, as an "Other Disbursement."⁷ The Complaint alleges that the Committee failed to justify
10 this payment to Bentivolio, in that the Committee did not properly identify the disbursement to
11 the candidate as a loan repayment. Compl. at 3. As stated above, the Committee filed a Second
12 Amended 2012 April Quarterly Report (filed Sept. 12, 2012) — after the Complaint's filing —
13 in which it disclosed its \$50,000 payment to Bentivolio on March 5, 2012, as a loan repayment.⁸

14 The Complaint alleges additional reporting violations, including the Committee's failure
15 to carry over and account for its cash-on-hand balance between the Amended 2012 April

⁵ See Amended 2012 April Quarterly Report at 6-7, available at <http://docquery.fec.gov/pdf/481/12952492481/12952492481.pdf>. The Complaint concludes that the Committee may have double-counted the monies it received from Bentivolio as both contributions and loans. Compl. at 4-5. The Complaint also alleges that Committee debt to Bentivolio disappeared in its next-filed report – the July Quarterly – without explanation. Compl. at 4. The Committee's Amended 2012 July Quarterly Report (filed July 18, 2012) does not disclose the debts, only new candidate loans from Bentivolio to the Committee on June 19, 25, and 30, 2012, which total \$65,000. See Amended 2012 July Quarterly Report at 14, 20-22, available at <http://docquery.fec.gov/pdf/289/12952522289/12952522289.pdf>.

⁶ See Second Amended 2012 April Quarterly Report (Sept. 12, 2012) at 6-7, 11-12, available at <http://docquery.fec.gov/pdf/354/12952908354/12952908354.pdf>.

⁷ See Amended 2012 April Quarterly Report (July 15, 2012) at 10, available at <http://docquery.fec.gov/pdf/481/12952492481/12952492481.pdf>.

⁸ See Second Amended 2012 April Quarterly Report (Sept. 12, 2012) at 10, available at <http://docquery.fec.gov/pdf/354/12952908354/12952908354.pdf>.

1 Quarterly Report and the Amended 2012 July Quarterly Report, and between the Amended 2012
2 July Quarterly Report and the original 2012 Pre-Primary Report.⁹ The Complaint also alleges
3 that the Committee failed to justify a second \$50,000 payment to Bentivolio, on July 5, 2012,
4 which it disclosed on the Committee's original 2012 Pre-Primary Report as a contribution
5 refund.¹⁰ On the Committee's Amended 2012 Pre-Primary Report (Sept. 12, 2012), however, it
6 disclosed the \$50,000 payment to Bentivolio as a loan repayment.¹¹ Finally, the Complaint
7 alleges that the Committee filed multiple reports without the signature of the Committee's
8 treasurer or assistant treasurer. Compl. at 3. At that time, the Committee's Statement of
9 Organization identified Bentivolio as its treasurer and Robert Dindoffer as assistant treasurer, but
10 Deborah ("Debbie") Llewellyn signed all seven of the Committee's reports that pre-dated the

⁹ See Amended 2012 April Quarterly Report (July 15, 2012) at 4 (\$67,100.41 ending cash-on-hand), available at <http://docquery.fec.gov/pdf/481/12952492481/12952492481.pdf>; Amended 2012 July Quarterly Report (July 18, 2012) at 4 (\$0 starting cash-on-hand and \$91,183 ending cash-on-hand), available at <http://docquery.fec.gov/pdf/289/12952522289/12952522289.pdf>; 2012 Pre-Primary Report (July 26, 2012) at 4 (\$0 starting cash-on-hand), available at <http://docquery.fec.gov/pdf/656/12952598656/12952598656.pdf>.

¹⁰ See 2012 Pre-Primary Report at 4, available at <http://docquery.fec.gov/pdf/656/12952598656/12952598656.pdf>.

¹¹ See Amended 2012 Pre-Primary Report at 12, available at <http://docquery.fec.gov/pdf/897/12972179897/12972179897.pdf>.

1 Complaint.¹² *Id.*

2 The Committee's Response to the Complaint asserts that most of the disclosure errors
3 were "mainly input errors resulting from inexperience with the FEC software." Committee
4 Resp. at 3 (Sept. 14, 2012). Regarding the alleged unjustified payments to Bentivolio, the
5 Committee explains that the \$100,000 in payments constituted loan repayments to him. *Id.* at 2.
6 Specifically, Bentivolio loaned over \$58,000 to his campaign in January 2012, and the
7 Committee repaid him \$50,000 in March 2012.¹³ *Id.* The Committee also asserts that Bentivolio
8 again loaned the Committee over \$50,000 in June 2012, and the Committee repaid him \$50,000
9 in July 2012. *Id.* The Committee acknowledges that it erred by disclosing the first candidate
10 loan as a loan from Fifth Third Bank. *Id.*

11 The Committee further admits that Llewellyn signed and filed a number of its reports,
12 and that it never filed an amended Statement of Organization naming her as treasurer or assistant
13 treasurer. Committee Resp. at 1. The Committee also suggests that the remainder of the errors

¹² See 2012 April Quarterly Report at 1 (signed Deborah Llewellyn), available at <http://docquery.fec.gov/pdf/107/12970934107/12970934107.pdf>; Amended 2012 April Quarterly Report at 1 (signed Deborah Llewellyn), available at <http://docquery.fec.gov/pdf/481/12952492481/12952492481.pdf>; 2012 July Quarterly Report at 1 (signed Debbie Llewellyn), available at <http://docquery.fec.gov/pdf/779/12971461779/12971461779.pdf>; Amended 2012 July Quarterly Report at 1 (signed Debbie Llewellyn), available at <http://docquery.fec.gov/pdf/289/12952522289/12952522289.pdf>; 2012 Pre-Primary Report at 1 (signed Deborah Llewellyn), available at <http://docquery.fec.gov/pdf/656/12952598656/12952598656.pdf>; 48 Hour Notice of Contributions/Loans Received (July 23, 2012) (signed Llewellyn Deborah) available at <http://docquery.fec.gov/pdf/006/12971832006/12971832006.pdf>; 48 Hour Notice of Contributions/Loans Received (July 26, 2012) (signed Llewellyn Deborah) available at <http://docquery.fec.gov/pdf/639/12971834639/12971834639.pdf>; 48 Hour Notice of Contributions/Loans Received (July 30, 2012) (signed Llewellyn Deborah) available at <http://docquery.fec.gov/pdf/158/12971836158/12971836158.pdf>; and 48 Hour Notice of Contributions/Loans Received (Aug. 2, 2012) (signed Llewellyn Deborah) available at <http://docquery.fec.gov/pdf/414/12971839414/12971839414.pdf>.

¹³ After the MUR 6622 Complaint was filed, Bentivolio met with OGC Staff to discuss a possible *sua sponte* submission and provide additional details regarding the \$100,000 the Committee paid Bentivolio as outlined in the Complaint. During that meeting, Bentivolio explained that he used the proceeds from two separate sales of his reindeer business — he repurchased the business after the first sale at the same price — to fund \$80,000 of the \$100,000 he loaned to his Committee (the remaining \$20,000 came from Bentivolio's other funds). To date, Bentivolio has not filed a *sua sponte* submission. The Commission makes no recommendations regarding the propriety of the underlying sales and purchases of the business.

1 outlined in the Complaint resulted from Llewellyn's failure to use the same file for all reports,
2 which "led to the data not being auto-populated." *Id.* at 2-3. This oversight caused errors in the
3 Committee's cumulative reporting of cash-on-hand, "Election Cycle-to-Date" activity, and debt
4 information. *Id.* The Response also acknowledges that Llewellyn erroneously recorded loans
5 from the candidate as both loans and contributions (on Schedule A), adding that "[s]he was
6 attempting to record most of the listed receipts as loans from the candidate to the committee but
7 obviously failed to record them properly." *Id.* at 3.

8 On or about September 12, 2012, the Committee filed an amended Statement of
9 Organization to name Witt as treasurer, and Witt filed amendments to the Committee's 2012
10 April Quarterly, 2012 July Quarterly, and 2012 Pre-Primary Reports to correct the errors
11 identified in the Complaint.¹⁴ Committee Resp. at 3. On December 26, 2012, Witt filed a
12 Miscellaneous Document ("Form 99") on behalf of the Committee stating that since becoming
13 treasurer, he has instituted procedures to ensure that the Committee's reports fully disclose
14 receipts and disbursements.

15 The Act requires committee treasurers to file reports of receipts and disbursements in
16 accordance with the provisions of 52 U.S.C. § 30104 (formerly 2 U.S.C. § 434). 52 U.S.C.
17 § 30104(a)(1) (formerly 2 U.S.C. § 434(a)(1)); 11 C.F.R. § 104.1(a). These reports must include,
18 *inter alia*, the total amount of receipts and disbursements, including the appropriate itemizations,
19 where required. 52 U.S.C. § 30104(b) (formerly 2 U.S.C. § 434(b)); 11 C.F.R. § 104.3.

20 Treasurers are responsible for the accuracy of the information contained in committee disclosure

¹⁴ See Second Amended 2012 April Quarterly Report (Sept. 12, 2012), available at <http://docquery.fec.gov/pdf/354/12952908354/12952908354.pdf>; Second Amended 2012 July Quarterly Report (Sept. 12, 2012), available at <http://docquery.fec.gov/pdf/354/12952908354/12952908354.pdf>; and Amended 2012 Pre-Primary Report (Sept. 12, 2012), available at <http://docquery.fec.gov/pdf/897/12972179897/12972179897.pdf>.

1 reports, as well as the timely complete filing of those reports. 11 C.F.R. § 104.14(d). Treasurers
2 must also sign each disclosure report. 52 U.S.C. § 30104(a) (formerly 2 U.S.C. § 434(a));
3 11 C.F.R. §§ 104.1(a), 104.14(a). In addition to complete and accurate disclosure of receipts and
4 disbursements, the Act also requires accurate disclosure of the amount of cash-on-hand at the
5 beginning and end of the reporting period. 52 U.S.C. § 30104(b)(1) (formerly 2 U.S.C.
6 § 434(b)(1)); 11 C.F.R. § 104.3(a)(1). The Act and Commission regulations further require
7 political committees to continuously report the amount and nature of their outstanding debts until
8 those debts are extinguished. 52 U.S.C. § 30104(b)(8) (formerly 2 U.S.C. § 434(b)(8));
9 11 C.F.R. §§ 104.3(d), 104.11(a).

10 The Committee did not comply with the Act's reporting requirements in several ways.
11 As noted in the Referral, it failed to disclose an aggregate of \$64,544.07 in receipts and
12 disbursements on its original 2012 April and July Quarterly Reports filed with the Commission.
13 The Committee also misreported information regarding candidate loans: it inaccurately
14 identified a bank as the lender, and it omitted debts and loan repayments from one report to the
15 next. The Committee also concedes that it double-counted loan receipts and failed to carry over
16 and account for cash-on-hand, and did not accurately disclose the cumulative election cycle-to-
17 date amounts of its receipts and disbursements. As a result of these reporting errors, the
18 Committee inaccurately reported its cash-on-hand for the period covered by its 2012 April
19 Quarterly Report through the Committee's September 12, 2012, amendments, which included the
20 cash-on-hand information on the Committee's 2012 July Quarterly and Pre-Primary Reports.
21 Further, the Committee acknowledges that someone other than its treasurer signed its disclosure
22 reports.

1 Accordingly, the Commission has determined to find reason to believe that the
2 Committee violated 52 U.S.C. § 30104(a) and (b) (formerly 2 U.S.C. § 434(a) and (b)) by filing
3 reports without the signature of the treasurer and by failing to accurately disclose its receipts,
4 disbursements, debts, and cash-on-hand information.

5 As for Bentivolio, at the time of the apparent reporting violations he was the Committee's
6 treasurer of record. Accordingly, he was responsible for signing and filing accurate disclosure
7 reports. *See* 52 U.S.C. § 30104(a)(1) (formerly 2 U.S.C. § 434(a)(1)); *Statement of Policy*
8 *Regarding Treasurers Subject to Enforcement Proceedings*, 70 Fed. Reg. 3, 5 (Jan. 3, 2005)
9 ("*Treasurer Policy*"). Although Bentivolio failed to sign the Committee's reports and those
10 reports contained erroneous information, the available information regarding his conduct does
11 not appear to merit making personal-capacity findings against him in connection with his service
12 as treasurer. *See Treasurer Policy*, 70 Fed. Reg. at 5 (Commission makes personal-capacity
13 findings against a treasurer only when the treasurer had knowledge that his conduct violated a
14 duty imposed by law, or that he recklessly failed to fulfill his duties under the Act and
15 regulations or intentionally deprived himself of facts giving rise to the violations). Further,
16 although Bentivolio loaned the monies and received the repayments that are the central focus of
17 the apparent reporting violations, the available information does not suggest that he otherwise
18 violated the Act in connection with these funds. Therefore, the Commission has determined to
19 dismiss the allegation that Kerry Bentivolio violated the Act.

20 **B. Alleged Excessive Contributions**

21 The Act prohibits any person from making contributions to any candidate and the
22 candidate's authorized political committee in excess of the limits at 52 U.S.C. § 30116(a)
23 (formerly 2 U.S.C. § 441a(a)), and candidate committees are prohibited from knowingly

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1 accepting excessive contributions. 52 U.S.C. § 30116(f) (formerly 2 U.S.C. § 441a(f)). For the
2 2011-2012 election cycle, individuals were permitted to contribute a maximum of \$2,500 to a
3 candidate or candidate committee per election. 52 U.S.C. § 30116(a)(1)(A) (formerly 2 U.S.C.
4 § 441a(a)(1)(A)). Under the Act, multicandidate committees may make contributions to
5 candidates up to \$5,000 per election. 52 U.S.C. § 30116(a)(2)(A) (formerly 2 U.S.C.
6 § 441a(a)(2)(A)).

7 The Complaint alleges that the Committee received three contributions in excess of the
8 \$2,500 limit: (1) \$3,000 from Robert J. Dindoffer; (2) \$5,000 from Kristin M. Lee; and
9 (3) \$5,250 from YALFUND, a multicandidate committee. Compl. at 3-4. The Committee
10 denies these allegations, and the available information indicates that each of these contributions
11 complied with the limits but appeared excessive because the Committee misreported them.
12 Specifically, the Committee failed to properly attribute the Dindoffer contributions between the
13 special primary election and the primary election;¹⁵ misreported a \$500 contribution from Lee as
14 \$5,000;¹⁶ and failed to properly attribute three contributions earmarked for Bentivolio by the

¹⁵ The Committee asserts that Dindoffer's contributions were partially designated to the general election and partially designated to the primary election. Committee Resp. at 2. Dindoffer states in his response to the Complaint that he initially intended that the contributions would be attributed partly for the regular primary and partly for the regular general election. Dindoffer Resp. at 1 (Sept. 21, 2012). After a special election was called, however, he "requested that the portion attributed to the regular general election be re-attributed to the special primary." *Id.* The Committee amended its 2012 July Quarterly Report to correct this error. The Committee's Second Amended 2012 July Quarterly Report, filed on September 12, 2012, discloses four Dindoffer contributions: (1) \$2,500 on June 3 designated for the 2012 primary election; (2) \$500 on June 14 designated for the 2012 special primary election; (3) \$2,500 on June 18 designated for the 2012 primary election; and (4) a \$515.57 in-kind contribution on June 20 designated for the 2012 special primary election. See Second Amended 2012 July Quarterly Report at 7-8, available at <http://docquery.fec.gov/pdf/354/12952908354/12952908354.pdf>. On June 13, 2012, the Committee refunded the first \$2,500 contribution. *Id.* at 21.

¹⁶ The Committee and Lee both maintain that she contributed \$500, not \$5,000. Committee Resp. at 2; Lee Resp. (Aug. 27, 2012). The Committee adds that the discrepancy was the result of a typographical error. Committee Resp. at 2. Lee also attached a copy of the receipt from the Committee recognizing the \$500 contribution and a credit card statement for verification. Lee Resp. The Committee's Second Amended 2012 July Quarterly Report, filed on September 12, 2012, reflects the \$500 contribution. See Second Amended 2012 July Quarterly Report at 10, available at <http://docquery.fec.gov/pdf/354/12952908354/12952908354.pdf>.

1 individual contributors, instead attributing the contributions to YALFUND, the entity that was
2 merely acting as a conduit.¹⁷ Because the available information shows that the three contributors
3 did not make excessive contributions, only that the Committee misreported them as such, the
4 Commission has determined to find no reason to believe the Committee violated 52 U.S.C.
5 § 30116(f) (formerly 2 U.S.C. § 441a(f)). The Commission has also determined that the
6 Committee further violated 52 U.S.C. § 30104(b) (formerly 2 U.S.C. § 434(b)) by misreporting
7 the three contributions.

¹⁷ Committee Resp. at 2; YALFUND Resp. at 2 (Oct. 15, 2012). Specifically, on June 14, 2012, YALFUND forwarded to the Committee three earmarked contributions that totaled \$5,250: Cyan Banister \$2,500; Scott Banister \$2,500; and William Lawson \$250. YALFUND Resp. at 2. The Committee's Third Amended 2012 July Quarterly Report, filed on December 26, 2012, described the YALFUND \$5,250 amount as the "[t]otal earmarked through conduit. PAC limit not affected," and listed the three individual contributions as memo entries. See Third Amended 2012 July Quarterly Report (Dec. 26, 2012) at 13, *available at* <http://docquery.fec.gov/pdf/237/12963868237/12963868237.pdf>. See 52 U.S.C. § 30116(a)(8) (formerly 2 U.S.C. § 441a(a)(8)); 11 C.F.R. § 110.6(c)(2).